

**Village of Salado
Salado Municipal Building
301 N. Stagecoach
Salado, Texas
Minutes of Special Meeting of Board of Aldermen
May 29, 2018 at 6:00 p.m.**

The Board of Aldermen meeting was called to order at 6:00 p.m. by Mayor Skip Blancett.

Board Members Present: Mayor Skip Blancett, Mayor Pro-tem Fred Brown, Aldermen Andy Jackson, Michael Coggin, and Michael McDougal. Alderman Frank Coachman was absent.

Staff Present: Village Administrator Don Ferguson

1. Public Hearing

Hold a public hearing regarding the land use assumptions and capital improvements plan under which wastewater impact fees may be imposed for new or expanded services in certain areas for wastewater service received from the Village of Salado's wastewater utility. (*Village Administrator*)

Village Administrator Ferguson explained the process for establishing impact fees, including tonight's agenda items, speaker procedures, and required public hearing schedule.

Grady Reed of HDR Engineering presented information on impact fees generally, including the purpose of impact fees, customer base, service area, capital improvement plan to meet future needs based on growth projections; permitted use of impact fees for specific purposes; definition of Living Unit Equivalents (LUEs); calculating number of LUEs per customer; required public hearings; development of land use assumptions based on projected land use; determination of capital costs of treatment plant, collection system, lift stations, and engineering/project management.

Village Administrator Ferguson reminded that public comments should be limited to land use assumptions and capital improvements plan as stated on the agenda. He said fee discussions will take place at the Board's July 5, 2018 meeting.

Mayor Blancett highlighted speaker procedures and opened the public hearing at 6:25 p.m.

Charles Dunifer, owner of Antique Rose of Bell at 402 N. Main Street, expressed concerns that many businesses are being forced to connect whether or not they need sewer service. He objected to paying costs and fees associated with connection and felt that businesses are subsidizing the Sanctuary development. He said business owners are angry and felt like more money is being invested in the Sanctuary.

Margaret Blanton of 233 N. Main Street, distributed letters to Board members and did not favor requiring properties to connect to a system that she said could be funded in other ways. She said

it is unnecessary for her to sign up when the family home is used infrequently (3-5 days per year) and would like to ask for a variance. Ms. Blanton said she was told four years ago that she could keep her septic, put in a grinder pump, and hook up to the system. She felt that it was wrong to tell people they have to destroy a perfectly decent septic system. She asked that the Board look at interest being paid on the wastewater loan and find other methods of funding rather than putting the burden on property owners.

Bob Fulgham of 406 W. Village Road questioned the study's assumptions about use of his property and said he wanted to have "say-so" in the use of his property. Village Administrator Ferguson explained that the land use assumptions are addressing possible future uses (for example, residential or commercial) in a defined area based on certain criteria, and not meant to project land use for specific properties. Mr. Fulgham stated he has been on his property for over 30 years and wants to be heard.

Darlene Walsh of 1110 Mill Creek Drive stated she owns property within the Village limits and its extraterritorial jurisdiction (ETJ). She said her attorney and engineer have been consulted about the land use assumptions and capital improvements plan and advised she will have comments to submit by the second public hearing to be held in July. She suggested that the Board seriously consider putting off the whole Sanctuary contract and the Village's entire Comprehensive Plan, and the zoning map amendments, until people have had the chance to look at all the documents and reference them on the Village's website. Village Administrator Ferguson stated the Comprehensive Plan and Zoning Ordinance are on the Village's website and said the Sanctuary agreement can be added.

Linda Reynolds of 507 Santa Rosa spoke of the irony of inclusion of Mill Creek in the green area of the service map, as there was talk of disannexation last year. She referred to past Board discussions on the direction of development primarily to the south and east of Salado, which she said is reflected in the largest service map area. She expressed concerns regarding high fees that she felt will kill Salado. She said a gentleman is building a fifty-plus acre development just north of Salado with its own sewer system, which she stated the Village might want to buy if we had the money. She also stated there is a lot of empty land between Salado and Jarrell. Ms. Reynolds said when the Sanctuary does happen, it will get a lot of sewer usage out of the plant under construction. She said that sewer pipes will go right by her house, but felt it may be a good thing that she is not forced to join the system, especially if there are huge fees.

Tim Fleischer of 912 Cedar Park Circle, speaking on behalf of the Salado Masonic Lodge #296, expressed concerns regarding the severe economic impact to the Lodge. He questioned future growth calculations as badly flawed, given the anticipated new acreage, and felt that the 300-plus acre Sanctuary development was not accurately accounted for. He also questioned the number of LUEs for initial customers and felt that existing customers should not be charged impact fees, as that is not "growth" as defined by the engineers. He said some properties are not likely to be redeveloped and/or expanded and that the Salado Masonic Lodge can never be expanded and its land use will never change. He felt that properties that do redevelop/expand should pay more as they add taps. He asked the Board to consider adopting a policy stating that initial customers will not pay an impact fee, as they are existing, and not new customers. He said that the first customers do not have a choice whether or not to connect. Mr. Fleischer stated system costs are higher for

developed properties (as opposed to raw land) due to the added cost of decommissioning an existing septic system, which he feared will be driven even higher by the demand for such services during a six-month period. He felt that paying an impact fee and decommissioning costs are too high a price for existing property owners when the burden should be on new growth created by developers of raw land.

Hearing no further requests for speakers, Mayor Blancett called for a vote to close the public hearing. Alderman McDougal moved to close the public hearing. Mayor Pro-tem Brown seconded. Motion carried on a 4-0 vote. Mayor Blancett closed the public hearing at 6:47 p.m.

2. Discuss and Consider Action

- A. Discuss and consider possible action regarding a resolution of the Village of Salado, Texas, approving the land use assumptions and capital improvements plan for the Village of Salado's proposed wastewater impact fee service area; and declaring an effective date. (*Village Administrator*)

Village Administrator Ferguson reminded that this item is for consideration of the land use assumptions and capital improvements plan that are part of the impact fee report, and not for approval of an impact fee.

Mayor Pro-tem Brown moved to approve the resolution approving the land use assumptions and capital improvements plan for the Village of Salado's proposed wastewater impact fee service area and declaring an effective date. Alderman Jackson seconded. Motion carried on a vote of 4-0.

- B. Discuss and consider possible action establishing the date, time and place for the second public hearing relating to the calculation of the maximum impact fee amounts and the possible imposition of impact fees for new or expanded wastewater utility service from the Village of Salado's Wastewater Utility. (*Village Administrator*)

Village Administrator Ferguson recommended scheduling the date, time, and place for the second public hearing for Thursday, July 5, 2018 at 6:30 p.m. at the Salado Municipal Building.

Alderman Jackson moved to approve scheduling the date, time, and place for the second public hearing relating to the calculation of the maximum impact fee amounts and the possible imposition of impact fees for new or expanded wastewater utility service from the Village of Salado's Wastewater Utility for Thursday, July 5, 2018 at 6:30 p.m. at the Salado Municipal Building, as recommended. Alderman McDougal seconded. Motion carried on a vote of 4-0.

Adjournment

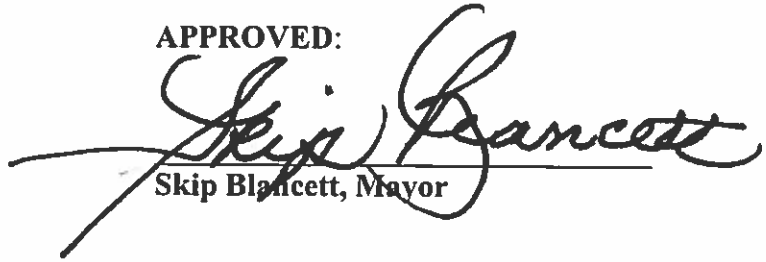
Hearing no further business, Mayor Blancett called the meeting adjourned at 6:52 p.m.

Recorded by:

Cara McPartland

These minutes approved on the 21st of June, 2018.

APPROVED:


Skip Blancett, Mayor

ATTEST:


Cara McPartland, City Secretary

